

STATE OF CALIFORNIA  
ENVIRONMENTAL PROTECTION AGENCY  
DEPARTMENT OF TOXIC SUBSTANCES CONTROL

In the Matter of:

Southern California Edison  
(EPA ID # CAC002366023),  
Arizona Pipeline Company  
(EPA ID # CAD982484131),  
and  
Metalclad Insulation Corporation  
(EPA ID # CAR000114587)  
(Los Angeles County)

Respondents.

Docket HWCA 20040572

CONSENT ORDER

Health and Safety Code  
Section 25187

The State Department of Toxic Substances Control (Department) and Southern California Edison, Arizona Pipeline Company, and Metalclad Insulation Corporation (Respondents) enter into this Consent Order and agree as follows:

1. Respondent Southern California Edison engaged in a long term project from 1999 to 2003 to remove fire wrap containing asbestos that it used to protect its utility poles. During this project, Edison determined that the resulting fire wrap waste it had been removing had hazardous levels of lead in addition to containing asbestos. Edison contracted with Respondent Arizona Pipeline Company (APCo) to oversee the project of removing the fire wrap. The employees hired by APCo were recommended by Edison. Edison contracted with Respondent Metalclad Insulation Corporation (Metalclad) to physically remove the fire wrap from the poles, bag the fire wrap waste, and properly label the bagged material for further transport and disposal. APCo

personnel, acting as agents for Edison, had the responsibility for reviewing and approving the manifests that would accompany the fire wrap waste during transportation for disposal at Kettleman Hills, California, a facility authorized to receive this type of hazardous waste. Prior and subsequent to October 15, 2001, the bags of fire wrap waste known to contain lead and asbestos were properly labeled as containing lead hazardous waste and sent for disposal at Kettleman Hills.

2. On October 15, 2001, Respondents arranged for BDC Special Waste Services (BCD), a hazardous waste transporter, to pick up fire wrap waste which had been bagged and prepared for shipment by Metalclad. Metalclad labeled the bags as containing asbestos hazardous waste, but failed to label the bags properly as containing lead. BDC prepared the manifest for the fire wrap waste shipment. APCo personnel, acting as agents for Edison, completed, reviewed, and approved the manifest. The manifest did not indicate that the shipment contained lead hazardous waste. The manifest directed that the bags of fire wrap waste be delivered to the Azusa Land Reclamation Company (ALR) at 1211 West Gladstone Avenue, Azusa, California; a disposal facility authorized to receive asbestos waste but not authorized to receive lead hazardous waste. On that same date, BDC thereafter picked up and transported the so manifested shipment of fire wrap waste to the ALR landfill, where it remains disposed.

3. The Department alleges the following violations occurred on or about October 15, 2001:

3.1 Respondents Southern California Edison and Arizona Pipeline violated California Health and Safety Code section 25189.2(c) by causing the disposal of hazardous waste containing lead at the ALR landfill facility, a point not authorized by the Department for the disposal of lead hazardous waste.

3.2 Respondents Southern California Edison and Arizona Pipeline violated California Health and Safety Code section 25189.2(a) by making a false statement on a hazardous waste manifest.

3.3 Respondent Metalclad violated California Code of Regulations, title 22, section 66262.34(f)(3)(A) & (B), by failing to mark or label the bags of lead contaminated asbestos waste with the words "Hazardous Waste," and failing to properly label the bags of fire wrap waste as containing lead.

4. The parties wish to ensure prompt and continued compliance with applicable laws.

5. Jurisdiction exists for this Consent Order pursuant to Health and Safety Code section 25187.

6. Respondents waive any right to a hearing in this matter.

7. This Consent Order and Respondent's payment pursuant to Paragraph 11 below shall constitute full settlement of the violations alleged above, but do not limit the Department from taking appropriate enforcement action concerning other violations not referred to in this Consent Order. However, no other violations by these Respondents arising out of the project in paragraph 1 above are known to the Department at this time.

8. A dispute exists regarding the alleged violations. Respondents deny any intentional or knowing violation of the applicable regulations and statutes as alleged by the Department. And the Respondents do not admit the facts or the violations referenced in this Consent Order.

#### SCHEDULE FOR COMPLIANCE

9. Respondents certify that, following the incident of October 15, 2001, they adopted and implemented new procedures and personnel training to insure compliance

with the regulations governing Respondents' labeling, accumulation, transport and hauling of fire wrap waste. Respondents agree that if they are involved in another project to remove fire wrap which may contain any hazardous waste, Respondents will review those procedures and institute appropriate procedures to ensure that all future shipments of hazardous waste are labeled, manifested and disposed consistent with the California Health and Safety Code and Title 22 of the California Code of Regulations.

9.1. Liability: Nothing in this Consent Order shall constitute or be construed as a satisfaction or release from liability for any conditions or claims by third parties arising as a result of past, current, or future operations of Respondents, except as provided in this Consent Order. Notwithstanding compliance with the terms of this Consent Order, Respondents may be required to take further actions as are necessary to protect public health or welfare or the environment. Respondents reserve the right to contest any such requirements.

9.2. Compliance with Applicable Laws: Respondent shall carry out this Order in compliance with all local, State and federal requirements, including but not limited to requirements to obtain permits and to assure worker safety.

9.3. Site Access: Nothing in this Consent Order is intended to limit in any way the right of entry or inspection that any agency may otherwise have by operation of any law.

9.4. Document Availability: Each Respondent shall maintain this Consent Order in a central repository for a minimum of six (6) years after the conclusion of all activities under this Consent Order.

9.5. Government Liabilities: The State of California shall not be liable for injuries or damages to persons or property resulting from acts or omissions by

Respondent or related parties specified in paragraph 11.3, in carrying out activities pursuant to this Consent Order, nor shall the State of California be held as a party to any contract entered into by Respondents or its agents in carrying out activities pursuant to this Consent Order.

### PAYMENTS

10.1. Within 30 days of the effective date of this Consent Order, Respondents shall pay the Department a total sum of thirty-five thousand, eight hundred dollars (\$35,800.00), of which twenty thousand, eight hundred dollars (\$20,800.00) is a penalty and fifteen thousand dollars (\$15,000.00) is reimbursement of the Department's costs. Respondents' check(s) shall be made payable to the Department of Toxic Substances Control, and shall be delivered together with the attached Payment Voucher to:

Department of Toxic Substances Control  
Accounting Office  
1001 I Street, 21<sup>st</sup> Floor  
P.O. Box 806  
Sacramento, California 95812-0806

10.2. A photocopy of the check shall be sent:

To: Steve Sterling, Branch Chief  
Department of Toxic Substances Control  
Task Force Support & Special Investigations Branch  
8800 Cal Center Drive  
Sacramento, California 95826

To: Brian Hembacher, Deputy Attorney General  
Department of Justice  
Office of the Attorney General  
300 South Spring Street, Suite 1702  
Los Angeles, California 90013

To: Vivian Murai  
Office of Legal Counsel & Investigations  
Department of Toxic Substances Control  
1001 I Street, 23<sup>rd</sup> Floor  
P.O. Box 806

Sacramento, California 95812-0806

10.3. If Respondents fail to make payment as provided above, Respondents agree to pay interest at the rate established pursuant to Health and Safety Code section 25360.1 and to pay all costs incurred by the Department in pursuing collection including attorney's fees.

#### OTHER PROVISIONS

11.1 Additional Enforcement Actions: By agreeing to this Consent Order, the Department does not waive the right to take further enforcement actions, except to the extent provided in this Consent Order.

11.2 Penalties for Noncompliance: Failure to comply with the terms of this Consent Order may subject Respondents to civil penalties and/or punitive damages for any costs incurred by the Department or other government agencies as a result of such failure, as provided by Health and Safety Code § 25188 and other applicable provisions of law.

11.3 Parties Bound: This Consent Order shall apply to and be binding upon Respondents and their officers, directors, agents, receivers, trustees, employees, contractors, consultants, successors, and assignees, including but not limited to individuals, partners, and subsidiary and parent corporations, and upon the Department and any successor agency that may have responsibility for and jurisdiction over the subject matter of this Consent Order.

11.4 Effective Date: The effective date of this Consent Order is the date it is signed by the Department.

11.5 Integration: This agreement constitutes the entire agreement between the parties and may not be amended, supplemented, or modified, except with the written consent of the parties.

11.6 Counterparts: The Parties agree that this Consent Order may be executed in counterparts.

Dated: 12/04/04

  
\_\_\_\_\_  
President, Metalclad Corporation

Dated: \_\_\_\_\_

\_\_\_\_\_  
President, Arizona Pipeline Company

Dated: \_\_\_\_\_

\_\_\_\_\_  
Southern California Edison Company

Dated: \_\_\_\_\_

\_\_\_\_\_  
Steve Sterling, Branch Chief  
Task Force Support & Special Investigations Branch  
Department of Toxic Substances Control

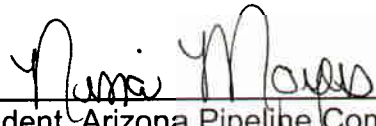
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Dated: \_\_\_\_\_

\_\_\_\_\_  
President, Metalclad Corporation

Dated: 12/2/04

  
\_\_\_\_\_  
President, Arizona Pipeline Company

Dated: \_\_\_\_\_

\_\_\_\_\_  
Southern California Edison Company

Dated: \_\_\_\_\_

\_\_\_\_\_  
Steve Sterling, Branch Chief  
Task Force Support & Special Investigations Branch  
Department of Toxic Substances Control



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Dated: \_\_\_\_\_  
\_\_\_\_\_  
President, Metalclad Corporation

Dated: \_\_\_\_\_  
\_\_\_\_\_  
President, Arizona Pipeline Company

Dated: 12/20/04  
\_\_\_\_\_  
*Al Hunt*  
Southern California Edison Company

Dated: \_\_\_\_\_  
\_\_\_\_\_  
Steve Sterling, Branch Chief  
Task Force Support & Special Investigations Branch  
Department of Toxic Substances Control

APPROVED  
STEPHEN E. PICKETT  
Sr. Vice President and  
General Counsel  
By *Richard Tom*  
December 9, 2004 Attorney

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Dated: \_\_\_\_\_  
\_\_\_\_\_  
President, Metalclad Corporation

Dated: \_\_\_\_\_  
\_\_\_\_\_  
President, Arizona Pipeline Company

Dated: \_\_\_\_\_  
\_\_\_\_\_  
Southern California Edison Company

Dated: 12/30/04  
\_\_\_\_\_  
*Steve C. Sterling*  
Steve Sterling, Branch Chief  
Task Force Support & Special Investigations Branch  
Department of Toxic Substances Control